

<b>Notice of:</b>	<b>EXECUTIVE</b>
<b>Decision Number:</b>	EX2/2019
<b>Relevant Officer:</b>	Steve Thompson, Director of Resources
<b>Relevant Cabinet Member:</b>	Councillor Simon Blackburn, Leader of the Council
<b>Date of Meeting:</b>	21 January 2019

## **COUNCIL TAX AND BUSINESS RATES DISCRETIONARY DISCOUNT POLICY 2019/2020**

### **1.0 Purpose of the report:**

1.1 To provide an update and variation to the Council Tax and Business Rates Discretionary Discount Policy previously approved by the Executive on 10 December 2018. This is owing to the announcement by the Chancellor of the Exchequer in the budget that local authorities have the discretion from 1 April 2019 to award businesses a new retail relief, funded by central government. An amended scheme, based on recent government advice, has been designed and included in the updated policy document to clarify and expand other discretionary reliefs available to businesses and the impact of rates retention pilot status and to include a statement relating to fraudulent applications.

### **2.0 Recommendations:**

- 2.1 To note the changes to the Council Tax and Business Rates Discretionary Discount Policy as set out in paragraphs 5.1 – 5.5, of the Executive report.
- 2.2 To recommend Council to agree the amended Council Tax and Business Rates Discretionary Discount Policy as set out in Appendix 3a, to the Executive report.

### **3.0 Reasons for recommendation(s):**

3.1 To ensure discretionary discounts for business rates payers are in place for the 2019/20 financial year and that the updated guidance from the Chancellor of the Exchequer is reflected in the policy.

- 3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No
- 3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

None.

**4.0 Council Priority:**

4.1 The relevant Council Priority is: “The economy: Maximising growth and opportunity across Blackpool”.

**5.0 Background Information**

5.1 The Executive at its meeting on 10 December 2018 considered a report on the Council Tax Reduction Scheme which approved a number of recommendations to the Council. That report included a reference to the possibility of amendments being required prior to the scheme’s approval by Council. This report outlines the amendments proposed to the Discretionary Discount Policy but it should be noted that the other recommendations to Council approved at the meeting remain unchanged.

5.2 The Government announced in the 2018 Budget that it will provide a Business Rates Retail Discount scheme for occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21. The value of discount should be one third of the bill, and must be applied once mandatory reliefs and other discretionary reliefs have been applied.

5.3 Properties that will benefit from the relief will be occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

5.4 The total amount of government-funded relief available for each property for 2019-20 and 2020-21 under this scheme is one third of the bill, after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied. There is no relief available under this scheme for unoccupied properties, or properties with a rateable value of £51,000 or more.

5.5 Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid De Minimis limits.

5.6 The Government introduced a £1,500 Business Rate discount for office space occupied by local newspapers in England, up to a maximum of one discount per local newspaper title and per hereditament, and up to state aid limits, for 2 years from 1 April 2017. This was extended in the 2018 budget and will now apply until 31 March 2020.

5.7 Does the information submitted include any exempt information? No

**5.8 List of Appendices:**

Appendix 3a: Council Tax and Business Rates Updated Discretionary Discount Policy.

**6.0 Legal considerations:**

6.1 The Council Tax and Business Rates Discretionary Discount Policy has been updated and is attached at Appendix 3a.

**7.0 Human Resources considerations:**

7.1 Existing staffing resources within the Revenues Service and the Benefits Service are used to administer the Council Tax and Business Rates Discretionary Discount Policy and the recent changes announced will not alter the resources required although workload will inevitably increase.

**8.0 Equalities considerations:**

8.1 None.

**9.0 Financial considerations:**

9.1 The new discretionary business rates discounts announced in the budget are fully funded by government.

**10.0 Risk management considerations:**

10.1 None.

**11.0 Ethical considerations:**

11.1 None.

**12.0 Internal/ External Consultation undertaken:**

12.1 None.

**13.0 Background papers:**

13.1 None.

**14.0 Key decision information:**

- 14.1 Is this a key decision? Yes
- 14.2 If so, Forward Plan reference number: 28/2018
- 14.3 If a key decision, is the decision required in less than five days? No
- 14.4 If **yes**, please describe the reason for urgency:

**15.0 Call-in information:**

- 15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No
- 15.2 If **yes**, please give reason:

**TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE**

**16.0 Scrutiny Committee Chairman (where appropriate):**

Date informed: 11 January 2019 Date approved:

**17.0 Declarations of interest (if applicable):**

17.1 None.

**18.0 Executive decision:**

18.1 The Executive resolved as follows:

1. To note the changes to the Council Tax and Business Rates Discretionary Discount Policy as set out in paragraphs 5.1 – 5.5, of the Executive report.
2. To recommend Council to agree the amended Council Tax and Business Rates Discretionary Discount Policy as set out in Appendix 3a, to the Executive report.

**18.2 Date of Decision:**

21 January 2019

**19.0 Reason(s) for decision:**

To ensure discretionary discounts for business rates payers are in place for the 2019/20 financial year and that the updated guidance from the Chancellor of the Exchequer is reflected in the policy.

**19.1 Date Decision published:**

22 January 2019

**20.0 Executive Members in attendance:**

20.1 Councillor Blackburn, in the Chair

Councillors Benson, Campbell, Cross, Jackson, Kirkland, Smith, I Taylor and Mrs Wright

**21.0 Call-in:**

21.1

**22.0 Notes:**

22.1 Apologies were received from Councillor Cain who was engaged elsewhere on official Council business.